

## Leadership Message on Controlled Substances

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**Paul** Hello. I am Paul Beahm, Senior Vice President of Operations for the Health and Wellness Division at Walmart.

**Jill** And I am Jill Turner-Mitchael, Senior Vice President and GMM of Health and Wellness at Sam's Club.  
Paul and I are both pharmacists and we are here today to talk to you about a very important topic that is affecting the pharmacy industry and no doubt impacting your practice, your interactions with prescribers, and your patients every day. That topic is the dispensing of controlled substances. You no doubt have seen headlines regarding recent DEA enforcement actions against several retail pharmacies, which resulted in these pharmacies agreeing to implement additional controls related to controlled substance dispensing. You have also likely been made aware that one or more pharmacy organizations have recently enacted strict policies for their pharmacists to follow when dispensing controlled substances. We support continued vigilance to prevent the diversion of controlled substances throughout the medical profession, and today we want to provide our perspective and guidance, and clarify our expectations for you as Walmart and Sam's Club pharmacists.

**Paul** As pharmacists ourselves, we appreciate the opportunity to lead and serve you as you serve our patients. And we know that while many regulations and laws are black and white, a decision to dispense a highly abused controlled substance is often not black and white. In fact, it can be complicated. The exercise of professional judgment is perhaps the most important of your responsibilities as healthcare professionals, licensed pharmacists and Walmart and Sam's Club associates. As highly trusted medication experts, pharmacists are integral to the healthcare team's responsibility to ensure that prescribed therapy is safe and appropriate for the patient.  
Patient care and safety are our highest priority.

**Jill** Federal law requires that a controlled substance prescription must be issued for a legitimate medical purpose by an individual practitioner acting in the usual course of his or her professional practice and penalizes practitioners who order prescriptions that do not comply with those criteria. The same federal law, the Code of Federal Regulation places a corresponding responsibility on pharmacists who dispense controlled substances to ensure that the prescription was for a legitimate medical purpose consistent with the prescriber's usual professional practice. The exercise of a pharmacist's corresponding responsibility has been the focus of the DEA and its recent enforcement actions. As a pharmacist, you are obligated to watch for the warning signs of dependency and abuse. And this

includes monitoring for prescribers who may contribute to the problem of drug abuse and addiction. Through recent enforcement actions, the DEA has made it clear that pharmacists are expected to identify these situations and refuse to fill prescriptions not issued for a legitimate medical purpose. Pharmacists are being held accountable by the DEA for failing to recognize and react to these situations which it refers to as "red flags".

**Paul** Walmart and Sam's Club have in place a number of robust policies and procedures to help you identify those instances in which it may not be proper to fill a controlled substance prescription. These policies recognize that determining whether or not to dispense a controlled substance prescription requires your careful involvement and thorough assessment. We must balance the sad fact that the abuse of controlled substances in the U.S. has increased significantly and at a concerning rate over the past ten years with a patient's legitimate need for palliative care. It is often difficult to distinguish a legitimately issued prescription from one that is not. Pharmacists are often placed in a difficult position as the gatekeeper at the center of prescriber, patient, and regulator. You play an important role in determining whether a prescription is appropriate for a patient regardless of the existence of a written prescription. These recent DEA actions have clarified the DEA's expectations regarding the pharmacist's role in assessing whether or not to fill controlled substance prescriptions. Although we have a comprehensive and robust set of procedures already in place to assist you in exercising this corresponding responsibility, in light of recent events, we want to clarify our position and the expectations we have of you.

**Jill** 1. First, we expect you to evaluate each and every prescription to ensure it is appropriate therapy for the patient, and is written in the best interest of the patient. This holds true for every prescription, but especially for controlled substances.

**Paul** 2. Second, we expect you to never fill a prescription that you believe, in the exercise of your professional judgment, is either not in the best interest of the patient or has not been issued for a legitimate medical purpose. Just because a licensed prescriber writes and confirms a controlled substance prescription does not mean that it was issued for a legitimate medical purpose. A prescriber with an active, unrestricted medical license and DEA registration can issue prescriptions for controlled substances that are not in the best interest of a patient who may develop dependency or already be addicted.

**Jill** 3. Third, you must always follow up and work to understand or find resolution to any "red flags" before filling any controlled substance prescription. This expectation comes from the obligation you have to your patient as well as the obligation you have to your licensing board, the DEA and our company to always do what is best for the patient and meets regulatory requirements.



**Paul**

4. Never fill a controlled substance prescription to meet a business metric or objective. This is such an important point to understand and to know how we feel about. The expectations and obligations we have are to our patients and to the regulatory requirements that we adhere to. Business outcomes always come after we serve the patient and follow the applicable laws, not before. Your first obligation is to the safety, health, and well-being of your patient. However, you and all of us at Walmart and Sam's Club have an obligation to prevent diversion and misuse of controlled substances. By focusing on the appropriate, safe, high quality care of our patients, we will always make the right decision.

**Jill**

5. We want to remind you that we have an obligation as a company to provide certain information to the DEA. This requires you to report to the Home Office any time you have exercised professional judgment and refused to fill a controlled substance prescription. Reporting to the Home Office is mandatory, not optional. Each notification sent to the Home Office is communicated to the DEA to aid in their regulatory oversight efforts. Additionally this information will help the Home Office help all of you identify trends observed throughout the nation that could be relevant to your exercise of professional judgment.

**Paul**

6. Most importantly we expect you to exercise your professional judgment and to care for patients accordingly. There is no substitute for professional judgment. Walmart and Sam's Club leadership supports pharmacists who exercise professional judgment and we will stand behind our pharmacists who exercise professional judgment in evaluating and deciding whether or not to fill a controlled substance prescription. Use the tools we have made available to you to assist you in exercising your judgment and to fill prescriptions responsibly. If you follow our POMS and use the tools we have made available to you it should not be necessary to decline to stock these controlled substances of concern. Refusing to stock prescriptions for certain medications is as much an abdication of the exercise of professional judgment as filling all prescriptions without appropriate verification. And it could harm legitimate patients in medical distress.

**Jill**

In the coming weeks we will be providing additional details regarding "red flags" that may indicate a controlled substance prescription was not issued for a legitimate medical purpose and which must be resolved before dispensing the prescription. These red flags address characteristics of the prescription and behaviors of both prescribers and patients that are most commonly associated with controlled substance prescriptions that are not issued for a legitimate medical purpose. Examples include doctor-shopping, pharmacy shopping, pill mills and other suspect activities. The DEA has made it clear that pharmacists must look for, recognize and act upon these red flags when they exist, and to document decisions involving the resolution of such red flags. Pharmacists are being held responsible for failure to identify red flags in situations that the DEA asserts that the pharmacy "knew or should have known" not to fill the prescription.

- Paul** The most important measure of our success as pharmacists is the level of quality patient care we deliver. Patient care is our first priority. Improving patient outcomes and ensuring they have a quality experience while in our care is what we stand for in our Health and Wellness businesses. This includes ensuring that therapy is appropriate and at the same time meets our serious obligation to prevent the diversion of medication outside legitimate medical channels. We should be proud of the way our patients trust our judgment. I am proud that we, at Wal-Mart and Sam's Club, respect the judgment that you as Pharmacy Professionals bring to our patients every day. It is important to understand that the judgment we exhibit is not just a privilege, it is also the expectation. To deliver the role that few others can in the delivery of health care across this country. When we take care of our patients in the right way, we deliver health care and quality outcomes that are a result of visiting our Walmart and Sam's Club pharmacies.
- Jill** Thank you for your dedication to quality patient care and to fulfilling your professional responsibilities. If you have any questions please reach out to your Pharmacy Market Manager or Market Health and Wellness Director, or to the Practice Compliance team at the Home Office.
- Paul** We appreciate your time and attention to this important information. We'll see you soon in the stores and clubs.